

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

FCS ADVISORS, LLC,

Plaintiff,

-against-

THEIA GROUP, INC., d/b/a “THORIAN  
GROUP” and/or “CYPHERIAN”; THEIA  
AVIATION, LLC; and THEIA HOLDINGS A,  
INC., d/b/a “THORIAN HOLDINGS,”

Defendants.

21 Civ. 6995 (PKC)

**DECLARATION OF MATTHEW L. SCHWARTZ**

I, MATTHEW L. SCHWARTZ, hereby declare as follows:

1. I am managing partner of the law firm of Boies Schiller Flexner LLP, counsel for CogniSphere, LLC (“CogniSphere”) in the above-captioned case. I submit this declaration in support of CogniSphere’s motion to compel Basler Turbo Conversions, L.L.C. (“Basler”) to comply with the Court’s June 11, 2024 order.

2. CogniSphere is a successor-in-interest to Theia Group, Inc.’s rights under the Contract for Sale of Three Basler Turbo-67 Aircraft and Modification of One Basler Turbo-67 Aircraft (“Basler Contract”).

3. Attached as **Exhibit A** is a true and correct copy of the Basler Contract between Basler and Theia Group, Inc.

4. Attached as **Exhibit B** is a true and correct copy of this Court’s October 26, 2023 Order (I) Approving the Sale of the Receivership Entities’ Assets Free and Clear of Liens, Claims, Rights, Encumbrances, and Other Interests, and (II) Granting Related Relief (“Sale Order”), which

is available at ECF No. 411. Pursuant to the Sale Order, LTS Systems LLC (“LTS”), an affiliate of the plaintiff FCS Advisors, LLC, succeeded to Theia’s rights under the Basler Contract.

5. Attached as **Exhibit C** is a true and correct copy of the Court’s June 11, 2024 Stipulation and Agreed Order Resolving Objection to Motion to Compel of Creditor Basler Turbo Conversions, L.L.C. to Compel Payment of Cure Amounts, or in the Alternative for Relief from the Sale Order and the Receivership Stay and Approving Letter Agreement (the “Letter Agreement Order”), pursuant to which the Court confirmed LTS’s rights under the Basler Contract, and pursuant to which LTS through its then wholly-owned subsidiary CogniSphere subsequently exercised the so-called Cancellation Option.

6. Attached as **Exhibit D** is a true and correct copy of the June 28, 2024 “Notice of Designation and Delegation re Basler Contract,” signed by LTS and the Receiver, pursuant to which CogniSphere succeed to all of Theia’s rights under the Basler Contract.

7. CogniSphere notified Basler in writing that CogniSphere was exercising its contractual option to acquire the fourth plane, but Basler has not acknowledged that notice or otherwise responded. Attached as **Exhibit E** is a true and correct copy of an August 28, 2024 email from Robert Leeds, CogniSphere’s beneficial owner, to Joseph Varkoly of Basler stating “it is our intent to EXERCISE the option to acquire the fourth plane #71 (tail number to follow ) in accordance with the Contract.” Later that day, Mr. Leeds again emailed, “Please consider this a Formal Notice we will exercise the option to acquire the and next plane produced (#71).” To the best of my knowledge, to date, Basler has not acknowledged this notice or otherwise responded.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed: October 25, 2024  
New York, NY

/s/ Matthew L. Schwartz  
Matthew L. Schwartz